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STATE OF THE WALL

HOUSE OF REPRESENTATIVES

2001 OCT -5 P 12: 17 STATE OF HAWAII STATE CAPITOL HONOLULU, HAWAII 96813

DEPT. OF LAND & NATURAL RESOURCES STATE OF HAWAII

October 1, 2001

Mr. Gilbert S. Coloma-Agaran Director Department of Land and Natural Resources P.O. Box 621 Honolulu, Hawaii 96809

> Re: Kaneohe Bay Pier Amnesty Program

Dear Director Coloma-Agaran:

I had the pleasure of attending DLNR's public hearing on the Kaneohe Bay Pier Amnesty Program (the "Pier Program") held at the Kaneohe Senior Center on Thursday, September 27, 2001. I want to commend the DLNR for trying to diligently work through this difficult process that has taken years to consummate. Nevertheless, I still have a few serious concerns regarding the DLNR's Pier Program.

- 1. Performance Bond – The Pier Program's proposed bonding requirement is onerous, unreasonable and unnecessary. I request that the DLNR drop its demand for a performance bond or at least set this demand to a more reasonable \$100 flat fee. Please advise me if legislative action is needed to advance this demand.
- Lease Rent Formula The Pier Program's proposed formula appears 2. reasonable, but the 50% valuation multiplier is unreasonable. Research indicates that no other state seeks to use a multiplier anywhere as high as the 50% figure selected by DLNR. Instead, a multiplier of 10% appears more in line with the valuation of submerged lands across the United States. I request that the DLNR reconsider its use of the 50% multiplier figure and revise this number down.

Representative Charles K. Djou 47th District (Kaneohe • Kahaluu) State Capitol, Room 313 Honolulu, Hawaii 96813

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EXHIBIT D

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Please do not hesitate to contact me if you have any questions or comments. I look forward to hearing from DLNR regarding the Pier Program soon. Thank you.

Albha,

Charles K. Djou

State Representative

47th District (Kaneohe to Kahaluu)

cc:

Sen. Bob Hogue

Sen. Bob Nakata

Rep. Colleen Meyer

Rep. Ken Ito